

Companies

TUESDAY, MARCH 3, 2020

Quick View



Govt allows airlines to provide in-flight Wi-Fi services

THE CENTRAL GOVERNMENT on Monday permitted airlines operating in India to provide in-flight Wi-Fi services to passengers, according to an official notification. "The Pilot-in-Command may permit the access of Internet services by passengers on board an aircraft in flight, through Wi-Fi on board, when laptop, smartphone, tablet, smartwatch, e-reader or a point of sale device is used in flight mode or airplane mode," the notification stated. Vistara would be the first plane in India to provide in-flight Wi-Fi services.

Oppo forays into financial services world with Kash

OPPO ON MONDAY said it is foraying into the growing world of financial services with the launch of Oppo Kash, which will be pre-installed in all Oppo smartphones, in addition to being available for download on Google Playstore for all non-Oppo users. Oppo Kash aims at partnering with customers across their lifecycle and having a deep relationship with 10 million customers and an AUM of ₹50,000 crore.

Dayapatra Nevatia named Mindtree COO

IT FIRM MINDTREE on Monday said it has appointed Dayapatra Nevatia as its chief operating officer. In this new role, Nevatia will support the company into its next phase of growth, a statement said. The former Accenture executive will be based in Bengaluru, it added. "Dayapatra's vast industry experience along with proven track record will be a definite asset to Mindtree as we continue to stride on the journey of customer-centric growth," Mindtree CEO and MD Debashis Chatterjee said.

Chqbook.com raises \$5 m from Aavishkaar Capital

FINTECH START-UP CHQBOOK.COM on Monday said it has raised \$5 million (about ₹36 crore) from Aavishkaar Capital. The Gurgaon-based company will use the proceeds from the series A round to expand its product portfolio, scale up distribution across multiple cities and strengthen its proprietary AI-powered technology platform, a statement said.

ODA Class raises funds in pre-Series A round

ODA CLASS, a Bengaluru-based digital education platform, on Monday said it has raised an undisclosed amount of funding in pre-series A round, led by Chinese education company Yuanfudao. It plans to utilise the funds for technology upgradation and expanding its product offerings, and to develop infrastructure and enhance the teacher recruitment system. It already has one million users, and aims to get 10 million users by the 2020 end.

DAZN to expand presence to over 200 countries

DAZN, A GLOBAL sports streaming service, on Monday said it is expanding its presence to more than 200 countries and territories this year. It has debuted services in nine countries — Austria, Brazil, Canada, Germany, Italy, Japan, Spain, Switzerland and the US. The DAZN app will be available globally on most internet-connected devices, including smartphones, tablets, laptops, PCs, smart TVs, streaming sticks and game consoles.

Maritime bodies against seafarers under tax net

MARITIME BODIES MASSA and NUSI on Monday sought the intervention of finance minister Nirmala Sitharaman to amend a Budget proposal, which will now bring Indian seafarers under the Income tax net. Maritime unions are protesting against the proposed change in the Income Tax Act after Budget 2020 proposed to tax NRIs in India, who are not paying tax anywhere in the world.

ON THE RUNWAY

We are evaluating Air India, says Vistara chairman Bhat

After its unsuccessful bid to sell the national carrier in 2018, the government has decided to offload its entire stake in the troubled airline

PRESS TRUST OF INDIA
New Delhi, March 2

AS THE GOVERNMENT has restarted the process of Air India's disinvestment this year, Vistara chairman Bhaskar Bhat on Monday said that they were evaluating the national carrier and the decision on bidding will be taken later.

After its unsuccessful bid to sell Air India in 2018, the central government this time has decided to offload its entire stake. In 2018, the government had offered to sell its 76% stake in the airline.

Bhat told reporters, "We are evaluating Air India. Which company would not be interested in evaluating a sovereign airline of the country?...Whether we bid or not comes later."

On being asked if Vistara or Tata Sons were evaluating Air India, Bhat replied: "We (Vistara) are a joint venture."

The government in January restarted



the disinvestment process of Air India and invited bids for selling 100% of its equity in the state-owned airline, including Air India's 100% shareholding in AI Express and 50% in Air India SATS Airport Services Private.

The last date for putting bids is March 17 and interested bidders for Air India should have a net worth of ₹3,500 crore.

The government expects to complete the sale of Air India in the first half of the next fiscal, department of investment and public asset management secretary Tuhin Kanta Pandey said on February 14.

Economy to have 12-inch screen, 6-way headrest in new Dreamliner Vistara on Monday unveiled its new

787-9 Dreamliner aircraft that has 12-inch seat back screen for in-flight entertainment, 31-inch seat pitch, and six-way headrest for better neck support in its economy class seats.

The plane, which is the first of the six that the airline has ordered from Boeing, would be used on long-haul international routes by Vistara. It would be the first in India to have in-flight Wi-Fi services.

The seat pitch — which is the distance between two rows — is of 44 inches in business class of this plane, which arrived in Delhi on February 29 from Boeing's production facility in Everett, Washington.

In business class, the monitor is of 18-inch size in each of the 30 seats, which are lie-flat and in 1-2-1 configuration.

Piramal gets \$900 million on closing DRG biz sale

PRESS TRUST OF INDIA
New Delhi, March 2

PIRAMAL ENTERPRISES ON Monday said it has received \$900 million (around ₹6,500 crore) on completion of divestment of stake in its healthcare insights and analytics business to US-headquartered Clarivate Analytics.

The company in January this year announced an agreement for sale of its Decision Resources Group (DRG) business to Clarivate Analytics for \$950 million, and had said it would use the money to



reduce debt and to explore organic and inorganic growth opportunities.

PEL DRG Dutch HoldCo, a 100% sub-

siary of Piramal Enterprises and the holding company for DRG, had signed the definitive agreement for sale of DRG business.

"...the transaction has closed on February 28, 2020, and the company has received the consideration amount of \$900 million pursuant to the closing. The remaining \$50 million would be received at the end of 12 months from the closing as per the agreed terms," Piramal Enterprises said in a filing to the BSE.

Shares of Piramal Enterprises closed at ₹1,357.95 per scrip on the BSE, up 3.87% from their previous close.

Kotak Investment infuses ₹500 cr into Jindal Stainless

FE BUREAU
Mumbai, March 2

KOTAK INVESTMENT ADVISORS (KIAL) on Monday announced that Kotak Special Situations Fund (KSSF) has invested ₹500 crore in Jindal Stainless (JSL) in form of debt and equity.

According to Kotak Investment Advisors, this investment will help the country's largest stainless steel producer come out of the corporate debt restructuring (CDR) process and help it repay its loans and debt obligations to banks. The data from Bloomberg showed that total debt of JSL stood at ₹3,680.74 crore as on September quarter.

Under the transaction, KSSF has purchased equity shares from lenders of Jindal Stainless and invested in debentures of the company to repay the OCRPS (optionally convertible redeemable preference shares) and recompense due to lenders as part of the CDR package. Post completion of the transaction, KSSF will hold approximately 5% equity in Jindal Stainless. On Monday, the Jindal Stainless stock ended at ₹39.65 up by 1.67% on the BSE.

Eshwar Karra, CEO at Kotak Special Situations Fund at Kotak Investment Advisors, said, "We are delighted to partner

with Jindal Stainless by taking a 5% equity stake in the company and providing financing facility to help Jindal Stainless come out of CDR." Kotak Special Situations Fund is a \$1-billion fund with a mandate to invest in special situations in India.

KIAL is a wholly-owned subsidiary of Kotak Mahindra Bank and focuses on the alternate assets business of the Group. "Our investment in Jindal Stainless is in line with our objective of participating across the credit life-cycle of a company by providing unique solutions to the financing gaps seen in the industry. Coming out of the CDR process, JSL can now chart out its growth and debottlenecking plans by approaching the financial markets on competitive terms", added Karra.

Kotak Mahindra Group had been associated with private equity investments since 1997, the Alternate Assets group was set up in early 2005 to bring a sharper focus to this business. Since then, KIAL has raised in aggregate \$4.06 billion across different asset classes, including private equity funds, real estate funds, infrastructure funds, special situations fund and listed strategies, all led by independent investment teams.

Cox & Kings reports alleged fraud in UK-based subsidiary's account

PRESS TRUST OF INDIA
New Delhi, March 2

TRAVEL FIRM COX & Kings on Monday informed that the newly appointed auditors of the company have noticed the use of "allegedly forged financial statements" in the accounts of its UK-based subsidiary Prometheon Enterprise. The auditors of Cox & Kings have found that the audited consolidated financial statements of Prometheon Enterprise were not signed by Raffingers — the auditor of its UK-based arm.

Cox & Kings is presently going through corporate insolvency resolution process.

The allegedly forged financial statements were used by the previous statutory auditors of Cox & Kings while preparing consolidated financial statements of the company, the resolution professional of the company said in a regulatory filing, adding that now it stands "incorrect" since it was based on such "allegedly forged subsidiary financials".

The travel firm will soon share update in due course, once certainty over the people involved in such discrepancies are identified, it added. "We wish to inform you that the newly appointed statutory auditors have come across the fact that the audited consolidated financial statements



EYE ON AI

Bhaskar Bhat, Vistara chairman

We are evaluating Air India. Which company would not be interested in evaluating a sovereign airline of the country? Whether we bid or not comes later.

Daiichi payment plan: SC gives Singh brothers time till March 6

FE BUREAU
New Delhi, March 2

THE SUPREME COURT on Monday gave an extra day to former Ranbaxy promoters Malvinder and Shivinder Mohan Singh to meet their lawyers and come up with a definite payment plan by March 6 on how they would like to discharge their liability. Earlier, the brothers were given time till March 5 for coming with an appropriate plan in the contempt case for enforcement of ₹3,500-crore arbitration award filed by Japanese pharma major Daiichi Sankyo against them.

While stating that they are doing their best to come up with a "concrete proposal", the brothers also informed a bench led by justice Deepak Gupta that visits to their lawyers' office "were very productive and useful in shaping up" the proposal. However, some important parts of the proposal still need to be discussed and finalised, they said, adding that they need one to two more visits to their counsels' office. The court will hear the case on March 16.

The bench had earlier on February 3 observed that it does not want to punish people if there was a scope for recovery and that every opportunity should be given to retrieve the money. To facilitate the recovery, it granted two sessions of four hours each for the Singh brothers to visit their lawyers' offices. It also asked Daiichi and Fortis Healthcare (FHL) to reply to the Sebi's plea on allowing Malaysian operator IHH Healthcare to proceed with an open offer to acquire up to 19.70 lakh shares in the hospital chain.

The lawyers had then informed the apex court that a suo motu contempt proceedings have been filed against the Singh brothers and Fortis Healthcare, for having wilfully violated its December 14, 2018, order by which it had put on hold the sale of controlling stake (31%) in FHL to IHH Healthcare for ₹4,000 crore.

The Singh brothers, who are currently lodged in Tihar jail, appeared before the Bench in connection with the contempt case filed by Daiichi. Both the brothers are in judicial custody in connection with the case filed by Religare FinVest — an arm of Religare Enterprises — for allegedly caus-



Former Ranbaxy promoters Malvinder and Shivinder Singh, who are currently lodged in Tihar jail, appeared before a Supreme Court bench in New Delhi on Monday

ing a wrongful loss worth ₹2,397 crore.

The Supreme Court on November 15 last year had held the brothers guilty of contempt for violating its earlier orders that had restrained them from divesting their shares in Fortis Healthcare.

However, it gave them one more chance to purge themselves of the contempt if each of them deposited ₹1,170.95 crore within eight weeks. It also said that the brothers would be heard later on the quantum of sentence.



of Prometheon Enterprise as used for the purpose of preparation of consolidated financial statements of Cox & Kings for FY19 were not signed by the auditor of Prometheon Enterprise i.e. Raffingers."

"And allegedly forged financial statements were used by the previous statutory auditors for the purpose of consolidated financial statements while issuing their auditors report dated May 30, 2019, on consolidated financials," it said.

Pipara & Co LLP, chartered accountants, have been appointed as the statutory auditors of Cox & Kings by the resolution professional with effect from February 7, 2020. It was approved by its lenders in the meeting of committee of

creditors on January 30, 2020.

"The newly appointed statutory auditors, in the course of the performance of his duties as auditor, have a reason to believe that an offence of fraud involving ₹1 crore or above (individual amount), is being or has been committed in the company by its officers or employees and accordingly correspondences to the ministry of corporate affairs is in process," the company said in the filing.

The Mumbai bench of the National Company Law Tribunal has directed to initiate insolvency proceedings against Cox & Kings in October last year over the plea filed by Ratan India Finance, claiming default on a loan of ₹30 crore by the travel company.

Zomato, RBL Bank tie up for co-branded credit cards

FE BUREAU
New Delhi, March 2

ZOMATO ON MONDAY announced a strategic partnership with RBL Bank to launch credit cards.

Cardholders can avail host of benefits every time they use Zomato, the companies said in a joint statement.

The cards, which will be available in Edition and Edition Classic variants, will facilitate complimentary Zomato Gold membership and renewal of the programme every year.

While Edition Classic cardholders will get access to the local city variant of the Gold membership, Edition cardholders will get the global membership of the subscription scheme.

Also, Edition cardholders will be eligible for complimentary lounge access at all major domestic airports. Cardholders will also earn Zomato credits on every use.

The Gurgaon-based food delivery firm aims to tap into a large untouched customer base through the launch of the Edition credit cards. RBL, which currently has over 2.5 million credit cardholders, will be able to scale up its business in the segment



Actor Vicky Kaushal with Zomato founder and CEO Deepinder Goyal

through this initiative.

"We are excited to bring a unique co-branded credit card which rewards cardholders with every transaction — be it on

the Zomato app or at a restaurant," said Pradyot Ghate, vice-president, product, payments and partnerships at Zomato.

Zomato claims to have over 1.4 million

active Gold users at present. The company said it delivers over 1.2 million food orders on a daily basis. Gold members save over ₹14,000 in a single meal by availing the programme, the firm said.

Zomato that delivers in over 500 cities is locked in an intense competition with Swiggy to grab a bigger pie of the food delivery market. India's food tech market is estimated to touch \$7.5-8 billion by 2022 from about \$3.5-4 billion in 2019, according to a recent report by Google-BCG (Boston Consulting Group).

Last month, Zomato acquired online taxi aggregator Uber's India food delivery business in an all-stock transaction, which gives Uber 9.99% ownership in the food delivery firm.

Zomato, which claims to have reduced its cash burn to \$20 million in October 2019 from \$45 million in March, received \$50 million (₹353.58 crore) in fresh funding from Antfin Singapore Holding in January. The funding is part of the company's larger \$150-million financing round by the investor.

The co-branded credit cards powered by Mastercard can also be used by customers to make online and offline purchases.